

Message Text

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TAGS: AFIN AORG OECD NATO EEC ELAB

SUBJECT: EC SALARY ADJUSTMENT SYSTEM

REFS: (A) EC BRUSSELS 9533, (B) OECD PARIS 29005

1. BECAUSE THE SIGNIFICANCE OF THE EC'S SALARY ADJUSTMENT PROCEDURE, SUMMARIZED IN REFTTEL A, IS NOT COMPLETELY APPARENT FROM THE TEXT ALONE, WE HAVE CONTINUED TO DISCUSS THE SYSTEM INFORMALLY WITH KNOWLEDGEABLE EC OFFICIALS, INCLUDING UNIM LEADERS REPRESENTING EC EMPLOYEES.

2. FROM THESE DISCUSSIONS, AS WELL AS FROM A CLOSER READING OF THE TEXT, IT IS CLEAR THAT THE PRESENT ADJUSTMENT PROCEDURE IS NOT FULLY TIED TO THE COST OF LIVING INDEX. RATHER, IT IS HEAVILY INFLUENCED BY OTHER FACTOS LISTED IN REFTTEL A, PLUS ONE NOT MENTIONED -- THE POSITION OF THE UNIONS.

3. LUDWIG SCHUBERT, PRESIDENT OF THE STRONGEST UNION GROUP AT THE EC -- THE EUROPEAN PUBLIC SERVICE UNION, AFFILI-

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ATED WITH THE INTERNATIONAL CONFDERATION OF FREE

TRADE UNIONS -- SAYS THAT UNDER THE NEW PROCEDURE THE COST OF LIVING INDEX HAS LESS INFLUENCE ON SALARY ADJUSTMENTS THAN PREVIOUSLY, BUT THAT IN RETURN FOR THIS CONCESSION, THE COMMISSION'S STATISTICAL OFFICE HAS BEEN GRANTED AUTHORITY TO CORRECT UNDERSTATED COST-OF-LIVING FIGURES SUBMITTED BY GOVERNMENTS (HE CITED ITALY AS BEING GUILTY OF TINKERING WITH COST OF LIVING INDEXES).

4. SCHUBERT CLAIMS THAT ABOUT 45 PERCENT OF THE EC'S EMPLOYEES ARE DUES-PAYING UNION MEMBERS, THAT THE UNION STRENGTH GREW SIGNIFICANTLY IN 1970 WHEN IT CARRIED OUT A SUCCESSFUL STRIKE, AND THAT RESPECT FOR UNION VIEWS HAS GROWN ACCORDINGLY IN THE EYES OF THE EC COUNCIL AND COMMISSION ALIKE. A LIAISON COMMITTEE OF ALL THREE UNIONS REPRESENTING EC EMPLOYEES MEETS PERIODICALLY WITH HIGH OFFICIALS IN BOTH THE COMMISSION AND THE COUNCIL SECRETARIAT.

5. PRELIMINARY DISCUSSIONS WITH THE COMMISSION AND THE UNIONS ARE NOW UNDERWAY FOR A SALARY ADJUSTMENT PROPOSAL TO BE SUBMITTED TO THE COUNCIL IN NOVEMBER.

6. MEANWHILE, THE EC STATISTICAL OFFICE IS PREPARING THE ABUNDANT DATA REQUIRED BY THE NEW PROCEDURES. THE DECISION ON A SLARY ADJUSTMENT, HOWEVER, WILL IN OUR OPINION DEPEND LESS ON THE STATISTICS THAN ON THE INTERPLAY OF FORCEES ON THE UNION AND EC SIDES. HINTON

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